

PHILIP MORRIS U.S.A.  
INTER - OFFICE CORRESPONDENCE  
100 Park Avenue, New York, N.Y. 10017

To: Mr. Tom Keim

From: Robert P. Roper, Jr.

Subject: MARLBORO COUNTRY MUSIC PROMOTION

Date: March 26, 1982

This memo outlines in general terms an action plan for the Marlboro Country Music concept presented to senior management in early March.

To recap earlier discussions, country music represents a promising promotional opportunity for Marlboro for several reasons.

- Marlboro, by virtue of its powerful western image, can capitalize on a natural association with country music as no other commercial entity.
- Country music provides a unique forum for non-traditional advertising and publicity.
- Opportunities for promotional spin-offs such as records/cassettes and film/video provide a platform for reaching much larger audiences with the Marlboro Country Music experience.
- Country music's large and growing young adult following parallels Marlboro's target audience.

PROGRAM OBJECTIVE

The objective of Marlboro Country Music is to create a unique, comprehensive country music program recognized for its excellence in entertainment among the general public and recording industry alike, thereby generating the kinds of unpaid publicity and promotional extensions that make the concept a bigger idea.

PROGRAM STRATEGY

1. Develop a multi-city country music tour utilizing the best in country music talents, including recording artists, stage craft, lighting and sound.
2. Maximize the inherent promotional extensions that can be generated from the tour, including unpaid publicity, retail merchandising and promotion spin-offs.
3. Short-term, structure the program to accomodate refinements and improvements in execution while gaining industry credibility.

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Long-term, become increasingly aggressive, evolving into a major industry force.

#### 1982 PROGRAM ELEMENTS

##### Fall 1982 Ten (10) City Tour

Beginning September 1st, conduct a ten (10) city Marlboro Country Music Concert Tour.

Three (3) cities will be major metropolitan markets and seven (7) will be secondary cities but major country music markets.

Potential markets, in order of preference, are listed on Attachment I. A final market list will be determined by appropriate timing and availability.

##### Concert Facilities

Major market venues will range in seating capacity from 15,000 - 20,000.

Secondary market venues will range in seating capacity from 8,000 - 10,000.

##### Talent

A balanced and versatile entertainment package consisting of four (4) acts and an MC is recommended. A suggested talent line-up, subject to availability is outlined.

Willie Nelson  
Waylon Jennings  
The Oak Ridge Boys  
Juice Newton or Crystle Gayle

Other talent considerations are listed on Attachment II.

##### 1st Year Tour Costs

Total upfront investment for the ten (10) city tour is estimated at \$2,460,000. With the potential of recapturing \$1,040,000 through ticket sales, the net investment could be as low as \$1,420,000 as outlined below. (See detailed breakdown on Attachment III)

10 city tour expenses	\$2,260,000
Staging	200,000
Total 1st year costs	<u>\$2,460,000</u>
Less: Recaptured Investment	<u>1,040,000</u>
Net Investment 1st Year	\$1,420,000

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### Promotion Extensions

Promotion extensions will add an important dimension to the overall program and allow brand to realize the full potential of Marlboro Country Music. Brand recommends that four (4) areas be pursued in 1982.

(1) Local Talent Competition

Stage a local talent competition in each market with the winner appearing as the opening act in that city. This promotion will provide sustained unpaid publicity for the tour prior to the performance night and stimulate added interest in the tour.

(2) Produce Marlboro Country Music Record

Release a Marlboro Country Music record label featuring talent from the tour. This promotion will generate heightened national awareness and interest in the tour and provide brand visibility in record stores.

(3) Implement Retail Merchandising Program

Develop a program for retail outlets whereby set/sell display and posters offer Marlboro Country Music "ticket discounts" with the purchase of Marlboro product. This program will stimulate product purchases and generate added visibility for Marlboro Country Music in non-traditional music outlets.

(4) Satellite Broadcast

Utilizing the existing Philip Morris International satellite program, beam the Marlboro Country Music show live to Radio Luxembourg for broadcast throughout Europe. This will lend international prestige to the tour and provide a unique feature of outstanding news value.

### Promoters

Subject to acceptable fee negotiations, brand is recommending the participation of two promoters in the Marlboro Country Music Program.

Harvey Goldsmith Enterprises will coordinate and develop promotional spin-offs.

Creative Productions, Inc. will promote the actual ten (10) city tour.

Biographies of both promoters are available upon request.

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Brand would like approval to develop the ten (10) city tour as outlined. Each promotional spin-off will be pursued, but re-evaluated as developments materialize.

Please let me know your comments as your earliest convenience.

RPR:npf

Attachments

cc: F. Ambrosino  
T. Dudreck  
R. Fitzmaurice  
J. McAuley  
J. Scully  
R. Tracey

A handwritten signature in dark ink, appearing to read "Bob Rome", with a long horizontal line extending from the end of the signature.

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